GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2343
ANSWERED ON:23.07.2004
INCOME TAX PAYEE IN THE COUNTRY
Rawat Prof. Rasa Singh

Will the Minister of FINANCE be pleased to state:

(a) the number of income tax payee in the country at present, State-wise;

(b) whether the Government propose to amend the present criteria fixed for Identification of income-tax payees;

(c) if so, the details thereof;

(d) the measures being taken by the Government to bring the people of the uncovered areas under the ambit of income tax;

(e) the reasons for the short fall in the tax recovered from the income tax payees in comparison to the target fixed;

(f) whether the cases of less or excess recovery of tax by the income tax assessing officers have been reported; and

(g) if so, the number of such cases alongwith the action taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) The number of income tax payees in the country at present is about 2.7 crores. However, the state wise data is not available.

(b) Returns of Income are required to be furnished by persons other than companies in case their total income exceeds the maximum amount which is not chargeable to tax. However, in certain cases if a person fulfils any one of the six economic criteria specified, he is required to furnish the return of income. In the case of companies, the filing of returns is mandatory. The Finance (No.2) Bill, 2004 has not proposed any change in any criteria for the identification of Income-Tax payees.

(c) In view of (b) above, does not arise.

(d) Certain proposals to widen the tax-net which have been incorporated in the Finance (No.2) Bill, 2004 are as follows:-

The scope of tax collection at source is proposed to be widened to bring within its ambit parking lot auctions, toll plaza auctions and mining or quarrying leases;

The scope of tax deduction at source is proposed to be widened to bring within its ambit compensation paid on acquisition of certain immovable property;

Furnishing of annual information return by assessees and certain prescribed persons in the case of an office of Government or certain other authorities has been proposed to facilitate the automatic flow of information regarding certain specified transactions.

(e) There has been no shortfall in the amount of direct tax collections in comparison to the target fixed in this regard in F.Y.2003-04. In fact the direct tax collections for F.Y.2003-04 have been provisionally reported as Rs.1,05,236 crore as against the Budget Estimates of Rs.95,714 crore and Revised Estimates of Rs.1,03,400 crore.

(f) The Central Government monitors the collections in respect of only the Cadre-Controlling Chief Commissioners. The shortfall or excess of collections in respect of assessing officers is not centrally maintained.

(g) Does not arise in view of reply to para (f) above.